

**Montana State Library Budget Testimony****Before the Joint Appropriations Education Subcommittee****January 17, 2013****by Jennie Stapp, State Librarian**

Chairman Hollandsworth and members of the Committee, for the record my name is Jennie Stapp (S T A P P) and I am your State Librarian.

I would like to introduce our State Library Managers, Kris Schmitz, Central Services Manager, Sarah McHugh, Director of Statewide Library Resources and Evan Hammer, Digital Information Manager and Chief Information Officer. I am also joined by Richard Quillin, Chair of the State Library Commission.

With the permission of the chair we gave you two handouts. The first is our Fiscal Year 12 Annual Report that describes the accomplishments of our staff and that provides you with good background information on our programs and services to Montanans. The second handout describes our specific funding requests which are necessary to ensure that we have the ability to continue to offer these services in the future.

I do hope you all received your 2013 Legislative Snapshot last week and that you will find it useful throughout the session. I will refer to it a few times this morning.

Communities across our nation are pulling together and becoming more community-minded. Many factors seem to be driving this change, from natural disasters, to the recent economic recession, to movements to support local, small businesses. I believe for all of us, the shared purpose to support our local communities is what brings us here today. Local libraries play a key role in recognizing and meeting the needs in their communities. Libraries are not passive repositories of books and information or outposts of culture, quiet and decorum in a noisy world, today's libraries are an active and responsive part of the community and an agent for change. In the world of community building, local libraries have a unique and powerful role. Libraries have the capacity to bring together different types of people who share common goals. And the Montana State Library is no exception. Montanans across our state are *our* community.

The Montana State Library is committed to strengthening libraries and information services for all Montanans through leadership, advocacy, and service.

The Montana State Library is one program with two major divisions: the Digital Library and Statewide Library Resources. Administrative support is provided through a small central services staff, and information technology support is spread throughout the agency.

As the name implies, the Digital Library has wholly transformed our traditional library services to meet our communities' needs in the digital world. As an example, the Legislative Snapshot is a product created by our Digital Library.

Some of the subjects included in the Snapshot represent research conducted by our Library Information Services staff. These six professionals manage the Montana State Publications depository program, a statutory service of the State Library. Additionally they offer federal publications, electronic journals and online periodical databases for use by our patrons.

Library Information Services is continuing their effort to digitize our existing print collection of Montana government publications through a partnership with the Internet Archive. Working within our existing budget, the State Library has digitized more than 1 million pages or 16,000 publications from our collection of 37,000. The digital publications are available for users to access online, they can be downloaded to a variety of e-readers, and they are available in formats for the visually impaired. Digitizing our collection has increased the use of these valuable documents more than 225%. In FY 12 approximately 394,000 publications were downloaded from our online repository.

The Wildlife and Recreation information in your Legislative Snapshot is customized to your legislative district. Much of this information was provided by the State Library's Montana Natural Heritage Program. For more than 25 years, this statutory program has provided a neutral, non-regulatory, one-stop source for information on Montana's animals, plants, and habitats. The Heritage Program's community of users includes resource managers, Montana businesses, landowners and developers, educators, students, and recreationists.

Each year our expert Natural Heritage Program staff responds to over a thousand requests for information and our web resources receive tens of thousands of hours of use. We all know that Montana's natural resources are essential to our state's economy and quality of life. Ready access to good information about these resources speeds economic development while at the same time helps to manage these resources for the future.

The last section of our Digital Library, also required by statute, is the Natural Resource Information System (NRIS). Through the dissemination of location-relevant information, NRIS helps patrons take advantage of the understanding gained by viewing natural resource data for a particular place, be it a legislative district, a county, a watershed, or other geographic area. Examples of information in your Legislative Snapshot made available by NRIS, with the help of our partners, include information related to land, water, forest ecology, fire, drought and energy development.

As part of the Natural Resource Information System, the State Library maintains the Water Information System to provide standardized information about Montana's water resources. A recent Department of Environmental Quality survey yielded 44 statutory programs that require state agencies to use a standardized hydrography, or stream flow data. Recognizing the efficiencies that could be gained if state agencies used the same data, several agencies approached the State Library about making a budget request for a Water Information Systems Manager position. Decision package 202 represents this request. It is included in the executive budget as a one-time only item, to give the State Library and these agencies a chance to prove the value of the position.

The NRIS program is undergoing substantial change at this time. In 2011 staff from the Department of Administration's Base Map Service Center administratively merged with the Natural Resource Information System. This transition followed a lengthy review conducted by a multi-agency task force that was charged with finding efficient alternatives for the maintenance and delivery of geospatial information. The major conclusion of this task force was that the mission of the Base Map Service Center to "develop, support, deliver and promote enterprise geographic data and spatial technologies to all levels of government and the public," naturally aligns with the State Library's goals which are included in the appendix of your legislative analysis.

The merger is currently being administered through an Interagency Agreement between the Department of Administration and the State Library. Our two agencies worked together to draft legislation that is being brought before this Legislature as House Bill 38. If passed, this legislation will codify housekeeping changes to transfer authority for the Montana Land Information Act to the State Library. This bill passed unanimously out of committee on Tuesday. Decision Package 201 is tied to this legislative change. It is important to note that this request is not a request for new monies; rather it transfers the funding authority for the Montana Land Information Account to the State Library.

Your Legislative Snapshot would not be possible without the cooperation of our partner agencies as well as the foresight of previous legislative bodies who understood the

value of making quality natural resource information, and now geospatial information, available to all through the State Library. The geographic information managed by the State Library is used on a daily basis to inform topics including real estate transactions, energy development, business decisions, and program planning at the State Library and other state and federal agencies.

As is highlighted on page 6 of your legislative analysis, use of our online services continues to grow. However, due to statewide budget cuts enacted following the 2011 legislative session, we had to reduce our overall agency information technology budget, which directly impacted the budget for databases that support state employees and funding for our on-going state publications digitization project. Decision package 204 would bring funding for these services back to 2008 levels.

The community of Montana libraries and their patrons are served by the State Library's Statewide Library Resources Division. This Division meets our statutory mandate to support libraries around the state by providing training and consulting and by procuring and administering library technology and resources. Additionally, staff of this division provides services to Montanans who cannot read traditional print material through the Talking Book Library.

The Montana State Library plays an integral part in the provision of excellent library services across Montana. With operations based in Helena as well as in five other sites statewide, a professional staff plans, develops, and implements programs on topics such as budget preparation, long range planning, public library standards, and all library technologies. With the aid of State Library staff, the libraries in your home towns are better prepared to meet the challenges and support the opportunities in your own communities.

The Montana Shared Catalog continues to be the State Library's flagship program to support Montana libraries. Our staff provides administration, technical support and training for this program that adds new libraries annually. The 165 current members include large libraries like the Parmly Billings Library and small, rural libraries like the Harlem Public Library. By participating, all members are able offer their patrons state of the art library services, no matter their size. Through the Montana Shared Catalog, we currently serve an impressive 420,000 Montanans (which is more than half of the state's population over the age of five).

Behind the scenes, Montana Shared Catalog libraries share resources, such as server hardware and software, data, technical support, maintenance, and training. They also share the costs of ongoing consortium operations. The financial strength of sharing resources allows the consortium to carry more weight when negotiating with vendors to cut costs for everyone involved. The Shared Catalog is just one example of how Montana libraries, when supported by the Montana State Library, are working together to make their limited dollars stretch farther to better serve their patrons.

The Statewide Library Resources staff also administers funds for new and improved library services throughout Montana. For example, the very popular MontanaLibrary2Go program empowers 80 Montana libraries to provide downloadable audio and e-books to more than 440,000 Montanans. This program costs participating Montana libraries between \$875.00 and \$17,500 annually based on the number of patrons each library serves. As an example, the Bozeman Public Library paid \$10,500 in FY13. If the Bozeman Public Library was to purchase this service and the same amount of content independently, it would cost them approximately \$145,000 annually. If the State Library had not negotiated a statewide contract, most, if not all, Montana libraries would not be able to provide this tremendously popular service to their communities.

Statewide Library Resources also makes the most of the funding provided by the Legislature to license periodical databases that are available for use by any patron of all Montana libraries. Usage statistics tell us that Montanans value having access to this quality information. In the last fiscal year, the databases were used almost 6.5 million times. Without your support, and the purchasing power afforded through the coordinated efforts of the State Library, most libraries in the state would not be able to offer these resources to their patrons. However, the cost of providing these periodical databases continues to increase 3-5% annually. But because funding for these databases has not increased since the Legislature first appropriated funding in 2005, the State Library has had to renegotiate vendor contracts and, unfortunately, drop some services. Decision package 102 is a request for a present law adjustment that will maintain the purchasing power of the funds allocated for this purpose to ensure that Montanans continue to have ready access to these resources.

The final statutory program of the State Library is our Talking Book Library which is staffed by six FTE who depend on nearly 100 volunteers. We provide reading materials to approximately 4,000 Montanans with vision or other physical disabilities. This program manages approximately 67,000 book titles, as well as magazines, descriptive videos, and a children's collection. In the last fiscal year, patrons borrowed more than 234,000 items and downloaded more than 12,000 digital titles.

Most of the audio books in the Talking Book collection are provided by the National Library for the Blind. In order to provide our patrons with access to Montana authors and other titles that may be of interest, we also operate an in-house recording studio. The Talking Book Library's recording project records an average of 50 Montana-related publications every year, nearly all through volunteer time.

Like the Digital Library, the Talking Book Library is being revolutionized by digital technology and demands for digital services. But, because of limited staff resources, it is a slow process to transition our 1500 Montana titles from analog to digital and to wholly adopt the digital services available through the National Library Service. Decision package 203 would jump start this process by providing one-time only funds to hire temporary staff to manage this digital conversion.

I would like to take a moment to address the impacts of the motion passed by this subcommittee last Friday to adopt FY '12 expenditures as our funding base.

The State Library works hard to meet annual vacancy savings requirements but, as a small agency we have little or no flexibility in our personal services budget. For this reason, whenever we have a new vacancy we review our vacancy savings requirements, any other vacancies that may exist, the critical nature of the position and overall agency needs before determining when and how to fill the position. This review often means that we must leave positions open for specific periods of time which puts additional workload on remaining staff. We were able to meet the vacancy savings requirement in fiscal years 9 and 11 but we had to use the contingency fund in FY10.

Fiscal year 12, as reflected in the newly adopted base, was a very unusual year for us. The State Library had six positions vacant over the course of the year resulting in an additional 6% vacancy savings on top of the required 4%. Due to internal hires and difficulty recruiting certain professional positions, three of these positions were vacant for more than half the year and one position was vacant for more than 90% of the year. These positions are now all filled. As I said, the State Library has little flexibility in our personal services budget leaving us no way to absorb the additional 6% savings as a permanent reduction. The only foreseeable alternative would be to once again lay off staff, and reduce services to Montanans, as we were forced to do in 2011 when our personal services budget was reduced by 5%.

I understand that the Legislature also has concerns about the impact of raises offered to staff by certain agencies. In June of 2012 the State Library Commission approved an updated Broadband Pay Plan. This plan adopted '08 market rates as the basis for our target pay schedule.

As documented in this pay schedule, the minimum, entry level salary for employees is 80% of the 2008 market. Upon analysis, we found that the salaries of the State Library's three lowest paid employees in the Library Tech band were below this minimum salary.

In order to comply with our new policy the State Library Commission adopted targeted pay schedule ratio raises for these three staff bringing their salaries to the minimum required level.

These raises increased the State Library's on-going personal services costs by \$8,367 annually, an amount we can absorb in our existing personal services budget if that budget includes necessary present law adjustments.

No other raises were given to staff except to those employees who received statutory longevity increases or to those who were hired on training assignments.

With regard to the rates for fixed costs included in Decision Package 50, as you know, they are determined by other agencies. We support the budget decision of this committee regarding these rates, with the understanding that the State Library relies heavily on services provided by these agencies and we need them to continue.

Libraries are vital to democracy because they provide free access to information. Libraries are public spaces, true community gathering places. The unemployed come to find job training and job opportunities, families with young children work on reading and literacy skills, students use the library for college readiness and college access, and all of us take advantage of lifelong learning opportunities.

Much of America – and especially Montana – still believes that winning the race does not go to the swiftest, richest, or most powerful; winning the race is awarded to the most inventive, the most productive, and the most hard-working. How do we improve our condition? How do we "pull ourselves up by our bootstraps"? Through education, inquiry, and ingenuity. Knowledge is indeed power; it is the power to better oneself, to become an informed voter, to protect oneself as a consumer, to find a new job, or to start a new business.

In a 2011 survey conducted in Montana, nearly 40% of patrons using their library's public access computers were looking for a job while nearly 16% were taking online courses and nearly 10% were applying for public services. In places like Sidney, where hard working Americans are living in their cars or in camp trailers, the library has become a necessary part of their survival as people access the Sidney-Richland County Library in record numbers. It provides a warm, safe place to look for work, find a place

to live, and to conduct business. Thanks to public funding, free access to these resources is available to every one of our citizens! The Sidney-Richland County Library is a testament to how libraries anchor communities during times of celebration and misfortune, whether it's to provide assistance to Montanans as their community grows exponentially or to help our friends and neighbors find new opportunities when a large local employer shuts its doors.

Libraries are different things to different people. They can take you to the farthest reaches of the Universe. They are time machines that will take you to the far past and the far future. They are teachers that know more than any human being, friends that will amuse you and console you— and most of all, gateways to a better and happier and more useful life. In Montana, our libraries are all of these things and more: they are hubs of learning, bastions of freedom, cultural centers, community centers, and the heart and soul of our beautiful, inquiring communities.